

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Nucleus Software Exports Limited will be held on Wednesday, the 10th day of July 2013 at 11:30 A.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003 to transact the following business:

Ordinary Business:

1. To review, consider and adopt the Audited Balance Sheet as at March 31, 2013 and Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend @ Rs.3.00 per share on equity shares for the financial year ended March 31, 2013.
3. To appoint a Director in place of Mr. Janki Ballabh, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Prithvi Haldea, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration. M/s Deloitte Haskins & Sells, Chartered Accountants, the retiring auditors are eligible for reappointment.

Special Business:

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:-

Regularisation of appointment of an Additional Director

“RESOLVED THAT Mr. N. Subramaniam, who was appointed as an Additional Director of the Company effective from July 11, 2012 by the Board of Directors and who holds office until the date of the Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:-

Regularisation of appointment of an Additional Director

“RESOLVED THAT Professor Trilochan Sastry, who was appointed as an Additional Director of the Company effective from April 27, 2013, by the Board of Directors and who holds office until the date of the Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:-

Post facto approval in terms of the Central Government approval no. 4/98/T-1/2013/D/820 dated 17th April 2013

“RESOLVED THAT pursuant to Section 297 of the Companies Act, 1956 and approval of the Regional Director, Ministry of Corporate Affairs vide no. 4/98/T-1/2013/D/820 dated April 18, 2013 and other applicable provisions, consent of members be and is hereby given to the Company to enter into a contract with M/s Prime Database Private Limited, for availing of services i.e. creation, maintenance and hosting of Investors Relation Website of M/s Nucleus Software Exports Limited for a period from 1.4.2013 to 31.03.2016 as per the terms and conditions set out in the agreement entered into with the latter and approved by the Regional Director.

RESOLVED FURTHER THAT it is hereby confirmed that:

- (a) the Contract entered into with M/s Prime Database Private Limited is competitive, at arm's length, without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the Company has not made any default under Section 297 of the Companies Act, 1956 in the past and there is no default in repayment of any of its debts (including public deposits) or debenture or interest payable thereon and has filed its up to date balance sheet and annual return with the Registrar of companies;
- (b) the contract is falling within the provisions of Section 297 of the Companies Act, 1956 and provisions of Section 198, 269, 309, 314 and 295 are not applicable in the proposed contract; and
- (c) the Company and its Directors have complied with the provisions of Section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956 with regard to the proposed contract.”

RESOLVED FURTHER THAT the Board of Directors be and hereby authorised to do all such acts, deeds or things as may be necessary to give effect to the above resolution subject to the compliance of terms of the said approval letter.”

**By Order of the Board
For Nucleus Software Exports Limited**

Place: Noida (Poonam Bhasin)

Date: April 27, 2013

Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Members/Proxies should bring duly filled attendance slips attached herewith for attending the meeting.
3. The Register of Directors' shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
4. The Register of Members and Share Transfer Books shall remain closed from July 02, 2013 to July 10, 2012 (both days inclusive).
5. Re-appointment of Directors:

Mr. Janki Ballabh retires by rotation, and being eligible, offers himself for re-appointment.

Mr. Prithvi Haldea retires by rotation, and being eligible, offers himself for re-appointment.

Information as required under Clause 49 (IV)(G) of the Listing Agreement entered into by the Company with the Stock Exchanges, in respect of the Directors proposed to be appointed/reappointed is given in the annexure to the Notice.
6. The Dividend on Equity Shares, @₹3.00 per share, recommended by the Board of Directors for the financial year ended March 31, 2013, if approved at the meeting, will be payable to those shareholders whose names appear on the Register of Members of the Company on July 02, 2013 being the first day of Book-Closure and to those whose names appear as beneficial owners in the records of National Securities Depository Ltd. and Central Depository Services (India) Lid. on close of business as on July 01, 2013.

7. Members whose shareholding(s) are in electronic mode are requested to direct changes relating to address, bank mandate and Electronic Clearing Service (ECS) details to their respective Depository participants.
8. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P) ID number on all correspondence with the Company.
9. Members who are holding shares in more than one folio are requested to intimate to the Company the detail of all folio numbers for consolidation into a single folio.
10. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.
11. MEMBERS MAY NOTE THAT NO SNACK BOXES/GIFTS COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.
12. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

Mr. N. Subramaniam was appointed as an Additional Director on the Board of the Company w.e.f. July 11, 2012. Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. N. Subramainam for the office of the Director under the provisions of Section 257 of the Companies Act, 1956.

Mr. Subramaniam is an eminent Professional and bring rich and varied experience to the Board. The Board of Directors recommend the resolution set out in Item no. 6 of the accompanying Notice for approval of the Members.

None of the Directors of the Company, except Mr. N.Subramaniam, are in any way concerned or interested in this resolution.

ITEM NO. 7

Professor Trilochan Sastry was appointed as an Additional Director on the Board of the Company w.e.f. April 27th 2013. Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of ensuing Annual General Meeting of the Company. The Company has

received notice under Section 257 of the Companies Act, 1956 proposing the candidature of Professor Trilochan Sastry for the office of the Director under the provisions of Section 257 of the Companies Act, 1956.

Professor Sastry with his professional achievements and affiliations, brings along vast, rich and vivid experience to the Company. The Board of Directors recommend the resolution set out in Item no. 7 of the accompanying Notice for approval of the Members.

None of the Directors of the Company, except Professor Trilochan Sastry, are in any way concerned or interested in this resolution.

ITEM NO. 8

Prime Database, a Pvt. Ltd. Company (only database dedicated to the primary capital market) has entered into contract with Nucleus Software Exports Limited (Company) for creation, maintenance and hosting of Nucleus Investor Relations (IR) website. PRIME Database is India's first and still the only database (since 1989) dedicated to the primary capital market covering fund raising by the Indian corporate sector and the Government through equity, debt or securitisation, in India or abroad. PRIME has built a reputation over 23 years for providing complete, correct, timely and analysed information on the Indian primary capital market. PRIME is credited with the most authentic information on the Indian primary market. PRIME is working on this project in partnership with National Stock Exchange(NSE), the most authentic and primary source of updated information on listed companies, information that is critical to investors, capital market intermediaries, corporates, regulators and researchers, amongst others.

Mr. Prithvi Haldea, a Director of the Company is also a Director of Prime Database Pvt. Ltd. (Contractee Company) and therefore the proposed contract attracts the provisions of Section 297 of the Companies Act, 1956. The Company submitted an application under Section 297 to the Central Government (power delegated to Regional Director, Ministry of Corporate Affairs, Noida) for entering into contract with Prime Database Pvt. Ltd.

The Regional Directors in its approval dated April 17, 2013 had, inter-alia, prescribed the Company to place the proposed contract in the next Annual General Meeting of the Shareholders for their post facto approval. The contract and the Regional Director approval, referred to in resolution no. 8, would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

The Special Resolution, at Item No. 8 is recommended for passing by the members

None of the Directors of the Company except Mr. Prithvi Haldea is concerned or interested in the above resolution.

Annexure A

PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT

Mr. Janki Ballabh

Mr. Janki Ballabh, an eminent banker and former Chairman of the State Bank of India and State Bank Group, has vast experience and expertise in finance, banking and corporate management. He is presently Chairman of UTI Trustee Company of UTI Mutual Fund, and is Director on the boards of Tata AIG Life Insurance Co. Ltd., Small Industries Development Bank of India (SIDBI), Tata Capital Ltd., Tata Capital Housing Finance Ltd., Tata Capital Financial Services Ltd., and Tata AIG General Insurance Company Ltd. In addition to his general corporate experience, his vast and rich experience, consistent with Nucleus strategy provides operational excellence to the Company and a capability to drive innovation.

Mr. Janki Ballabh does not hold any Equity Shares of the Company.

Directorships held in other Companies	<ol style="list-style-type: none">1. UTI Trustee Co. (P) Ltd.2. TATA AIA Life Insurance Co. Ltd.3. Small Industries Development Bank of India4. TATA Capital Ltd.5. TATA Capital Housing Finance Limited6. TATA Capital Financial Services Limited7. TATA AIG General Insurance Limited
Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	<ol style="list-style-type: none">1. Chairman – Audit Committee of TATA AIA Life Insurance Co. Ltd.2. Chairman – Audit Committee of TATA Capital Ltd.3. Member– Investor Grievance Committee of TATA Capital Ltd.4. Chairman – Audit Committee of TATA Capital Housing Finance Ltd.5. Chairman – Audit Committee of TATA Capital Financial Services Ltd.6. Member– Investor Grievance Committee of TATA Capital Financial Services Ltd.7. Chairman – Audit Committee of TATA AIG General Insurance Company. Ltd8. Member– Investor Protection Committee of TATA AIG General Insurance Company Ltd.

Mr. Prithvi Haldea

Mr. Prithvi Haldea did his MBA from Birla Institute of Technology & Science, Pilani in 1971. Over the next 18 years, he worked at senior positions in the corporate sector in the areas of exports, consulting and advertising. During late 70s and early 80s, he was also associated with the information industry and, among various activities, worked as a consultant with The World Bank and the U.S Department of Commerce. In 1989, Mr. Haldea set up PRIME Database, the country's first and still the only database on the primary capital market. It has a large subscriber base, and is widely reported by the media. Mr. Haldea is a visiting faculty at several institutions and has presented scores of papers at various conferences in India and abroad.

Mr. Haldea is presently the Member of the Board of Governors of Indian Institute of Corporate Affairs, Member of the Quality Review Board-ICAI and Member of the Advisory Board of the International College of Financial Planning. He is also a member of the Government's Standing Council of Experts for the Financial Sector. He is also a member of several committees including SEBI Primary Market Advisory Committee, SEBI Committee for Reviewing Disclosures and Application Form in Public Issues, Rules Committee (for the Companies Act) of the Ministry of Corporate Affairs, ICSI Standing Committee for Development of a Model for Assessing Corporate Governance, Listing Advisory Committee of NSE and Delisting Committee of DSE. Mr. Haldea is the Chairman of PHDCCI Capital Markets Committee and Chairman of the ASSOCHAM's National Council for Capital Markets. He is on the Board of Invest India Micro Pension Services Pvt. Ltd. and is the Advisor to the Association of Investment Bankers of India and to Gaja Capital.

In the past, Mr. Haldea has served, among others, as a Board Member of the Central Listing Authority-SEBI, First Trustee of the Pension Fund Regulatory & Development Authority, Central Government Nominee on the Governing Council of The Institute of Chartered Accountants of India, Central Government Nominee on the Governing Council of The Institute of Company Secretaries of India, Finance Minister's High-level Expert Committee on Corporate Bonds and Securitization, SEBI Secondary Market Advisory Committee, SEBI Committee on Disclosures & Accounting Standards, SEBI Committee for Review for MAPIN, MCA Committee on Review of Corporate Governance Norms, MCA Committee for Review of the Chartered Accountants Act, and Index Committee, Listing Committee and Delisting Committee of BSE. He was also on the board of UTI Mutual Fund as an Independent Director for nearly 6 years till end 2011. He was also a member of CII's National Task force on Financial Markets and NASSCOM's Corporate Governance & Ethics Committee.

As an investor protection activist and proponent of good corporate governance, Mr. Haldea regularly raises issues with regulators and in the media. In the pursuit of this objective, he has also launched several unique websites which include www.watchoutinvestors.com, aggregating information on economic defaulters which now lists over 1,50,000 cases,

www.primedirectors.com: a databank of professionals for listed companies to select independent directors, now hosting profiles of over 20,000 professionals, www.indianboards.com profiling directors of listed companies and www.msmentor.in, a national skills registry of professionals for the benefit of MSMEs. He had earlier designed and maintained www.directorsdatabase.com, covering detailed profiles of directors of Indian listed companies and www.iepf.gov.in, an investor education initiative. Mr Haldea has also extended his skills of information management to other organizations, by creating www.bsepsu.com, a website dedicated to disinvestments, a new website www.divest.nic.in for the Department of Disinvestment, and the PE/VC Directory for the Indian Venture Capital Association.

Mr. Prithvi Haldea joined the Board of Directors of Nucleus Software Exports Ltd. in June 2001, and of Nucleus Software Ltd. in April 2008.

Directorships held in other Companies	Praxis Consulting & Information Services Pvt. Ltd. Venture Media Pvt. Ltd. primedatabase.com Pvt. Ltd. Prime Investors Protection Association & League Nucleus Software Ltd. Invest India Micro Pension Services Pvt.Ltd.
Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	Member – Audit Committee of Nucleus Software Limited

PROFILE OF THE DIRECTORS SEEKING REGULARISATION

Mr. N Subramaniam

Mr. N Subramaniam was appointed as an Additional Director of the Board of Directors of the Company w.e.f. July 11, 2012. He is a post graduate from IIM Ahmedabad and is a CA, CS and CWA by qualification. Having a corporate experience of 30 years, Mr. Subramaniam is the Founder & Managing Partner of M Cap Fund Advisors and is currently an Independent Director at L&T Finance Holdings. In the past he was the Chairman at Venture Capital Association of India, Infrasoftware Technologies, Vice Chairman at Mphasis, Chairman of Audit Committee of Mphasis and was Director at Auro Mira Energy, Maples ESM Technologies, SECOVA, Cybernet Software Systems. He was also the Member of the Board at Integra Software Services, SlashSupport, Jyothy Laboratories & SRA Systems.

Directorships held in other Companies	NS Equity Advisors Private Limited MCAP Fund Advisors Private Limited L&T Finance Limited. L&T Finance Holdings Limited.
Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	Nil

Professor Trilochan Sastry

Professor Trilochan Sastry was appointed as an Additional Director of the Board of Directors of the Company w.e.f. April 27, 2013. Professor Sastry former Dean at IIM Bangalore, currently teaches at IIM Bangalore. He has taught in many prestigious Universities in India, Japan, Hong Kong and United States and has published several academic papers in Indian and International journals. He has received national award for research and teaching. A BTech. from IIT, Delhi, an MBA from IIM, Ahmedabad, and a Ph.D. from MIT, USA, Prof. Sastry has taught for several years at IIM, Ahmedabad after which he moved to IIM, Bangalore.

Directorships held in other Companies	Nil
Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	Nil

Disclosure in terms of Clause 49 (IV)(G)(ia) of the Listing Agreement

There are no inter-se relationships between the Board members.